



KRISTOPHER E. TWOMEY

TELECOM/INTERNET LAW ■ REGULATORY CONSULTING

January 28, 2005

Via FedEx
Docket Office
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RECEIVED
2005 FEB 10 AM 10:13
T.R.A. DOCKET ROOM

Re: Application of CommPartners, LLC for a Certificate to Provide Competing Local Telecommunications Services

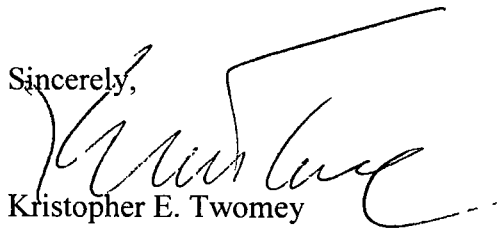
Dear Sir/Madam:

05-00047

Enclosed for filing are an original and three (3) copies of the Application of CommPartners, LLC for a Certificate to Provide Competing Local Exchange Services.

Please contact me at my California office should you have any questions or need additional information.

Sincerely,


Kristopher E. Twomey
Counsel to CommPartners, LLC

Enclosures

cc: David Clark

LOKT Consulting
1515 E. 14th Street, Suite A
San Leandro, CA 94577
Phone: 510 903-1304
Fax: 510 868-8418
Email kris@lokt.net

Law Office
1725 I Street, NW, Suite 300
Washington, DC 20006
Phone: 202 250-3413
Fax 202 517-9175
www.lokt.net



KRISTOPHER E. TWOMEY

TELECOM/INTERNET LAW ■ REGULATORY CONSULTING

January 28, 2005

Via FedEx
Docket Office
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

RECEIVED
2005 FEB 10 AM 10:15
T.R.A. DOCKET ROOM

Re: Application of CommPartners, LLC for a Certificate to Provide Competing Local Telecommunications Services

Dear Sir/Madam:

Enclosed for filing are ten additional copies of the Application of CommPartners, LLC for a Certificate to Provide Competing Local Exchange Services. Only three copies were submitted in the original filing

Please contact me at my California office should you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kristopher E. Twomey', written over a horizontal line.

Kristopher E. Twomey
Counsel to CommPartners, LLC

Enclosures

cc: David Clark

LOKT Consulting
1515 E. 14th Street, Suite A
San Leandro, CA 94577
Phone. 510 903-1304
Fax: 510 868-8418
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Law Office
1725 I Street, NW, Suite 300
Washington, DC 20006
Phone. 202 250-3413
Fax: 202 517-9175
www.lokt.net

BEFORE THE TENNESSEE REGULATORY AUTHORITY

In the Matter of the Application of)
CommPartners, LLC for a Certificate to)
Provide Competing Local Telecommunications)
Services)
_____)

**APPLICATION OF COMMPARTNERS, LLC FOR A CERTIFICATE TO PROVIDE
COMPETING LOCAL TELECOMMUNICATIONS SERVICES**

Kristopher E. Twomey
LoKT Consulting
1519 E. 14th Street, Suite A
San Leandro, CA 94577
Telephone: (510) 903-1304
Facsimile: (510) 868-8418

Counsel for CommPartners, LLC

BEFORE THE TENNESSEE REGULATORY AUHTORITY

In the Matter of the Application of)
CommPartners, LLC for a Certificate to)
Provide Competing Local Telecommunications)
Services)
_____)

**APPLICATION OF COMMPARTNERS, LLC FOR A
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

Pursuant to applicable Tennessee Statues and the Rules and Regulations of the Tennessee Regulatory Authority and Section 253 of the Federal Telecommunications Act of 1996 ("Act"), CommPartners, LLC ("CommPartners" or "Applicant") respectfully requests that the Tennessee Regulatory Authority ("TRA") grant CommPartners authority to provide competing local telecommunications services, including exchange access telecommunications services, within the State of Tennessee. CommPartners is willing and able to comply with all applicable rules and regulations in Tennessee pertaining to the provision of competing local telecommunications services. TCA 65-4-201

In support of this Application, CommPartners shows the following:

I. Administrative Requirements

1, Applicant's full name and address:

CommPartners, LLC
3291 N. Buffalo Drive, Ste. 3
Las Vegas, NV 89129-7437
Telephone: (702) 367-8647
Toll-free: (877) 297-0926
info@commpartners.us

- 2 Questions concerning this application should be directed to:

Kristopher E. Twomey
LoKT Consulting
1519 E. 14th Street, Suite A
San Leandro, CA 94577
Telephone: (510) 903-1304
Facsimile: (510) 868-8418
Email: kris@lokt.net

3. Contact name and address at Applicant:

David S. Clark
President
CommPartners, LLC
3291 N. Buffalo Drive, Ste. 3
Las Vegas, NV 89129-7437
Telephone: (702) 367-8647
Facsimile: (702) 365-8647
Email: dclark@commpartners.us

4. Organizational chart:

See Exhibit 1.

- 5 The name, number and electronic mailing addresses (if available) of the person(s) designated as a contact for the Commission Staff for resolving complaints, inquiries and matters concerning rates and price lists or tariffs. .

Kristopher E. Twomey
LoKT Consulting
1519 E. 14th Street, Suite A
San Leandro, CA 94577
Telephone: (510) 903-1304
Facsimile: (510) 868-8418
Email: kris@lokt.net

6. Corporate information

Applicant was formed as a Nevada limited liability company on December 31, 2003. A copy of Applicant's articles of organization is attached as Exhibit 2. Its certificate of authority to do business in Tennessee is attached as Exhibit 2.

7. The names and addresses of the officers and directors of Applicant.

Name	Position
David S. Clark	President and Director
Patrick Chicas	Vice President & Chief Technology Officer and Director
James H. Thompson	Vice President & Chief Integration Officer
Mitchell H. Allee	Vice President & Chief Systems Officer
Mark Peterson	Vice President—Sales & Marketing
Mike Burke	Vice President—Operations
Maurice J. Gallagher, Jr.	Director
Daniel A. Cartwright	Director
Jeffrey Hardesty	Director

All officers and directors may be contacted at Applicant's address. There are no officers or directors in Tennessee. Biographies are attached as Exhibit 3.

8. Description of Business Plan, Service to be Offered

CommPartners, LLC is in the process of building a state-of-the-art, proprietary Internet Protocol-based ("IP") communications network for the provision of voice and data services with presence in all 50 states and the District of Columbia. The network is designed to connect public and private IP networks with the Public Switched Telephone Network (PSTN) and will extend into an estimated 8,500 local telephone rate centers representing a majority of the U.S. population when complete, estimated to be by late 2005. Applicant will provide the network needed for VoIP providers to originate and terminate IP-based communications, as well as allow for the termination of traditional circuit-switched telephone calls. The traffic to be carried over this network will be comprised of primarily information services traffic such as VoIP, as well as interstate, intrastate interLATA, intraLATA, and local traffic.

As one example, Applicant's affiliate CP Network Services, will use Applicant's network to carry its VoIP traffic. In addition, CP Network Services will bundle this network management with other needed services such as billing, provisioning, and customer support to provide a hosted VoIP application. This application will then be sold on a turn-key, unbranded basis to

allow many different types of companies to market VoIP services. Among these wholesale customers will be: data integrators, Internet service providers, other VoIP providers, competitive local exchange carriers, long distance carriers, cable companies, and fiber to the home developers.

CP Network Services will offer these wholesale customers a comprehensive, affordable product suite with minimal investment requirements and low adoption risk. Applicant will also offer use of its network to other VoIP providers. Many of these providers are currently leasing networks in a piecemeal fashion and with limited geographical reach. Applicant will offer better services, at cheaper prices, and with greater geographical scope than is currently available. Essentially then, Applicant will serve as the network carrier and facilities management provider for its affiliate's wholesale customers, as well as for other VoIP providers' wholesale and retail customers.

Although most of the traffic carried over Applicant's network will be VoIP and subject to federal regulation,¹ Applicant acknowledges that the underlying network will be subject to regulation. In addition, this network will be created by entering into interconnection agreements with incumbent local exchange carriers ("ILECs") and connecting those ILEC networks to Applicant's points of presence in Las Vegas, Chicago, Atlanta, and New York. Services provided within Idaho will be routed through Applicant's network operations center located in Las Vegas, Nevada. In the event that the state chooses to regulate part or all VoIP services provided to retail end users, Applicant will tariff those services accordingly and comply with all state rules and regulations applying thereto.

II. Managerial Requirements

Applicant enjoys decades of combined telecommunications experience, including operation of a competitive local exchange carrier in the late 1990s. Resumes are attached as Exhibit 3. Applicant maintains the necessary skill and experience to effectively manage a provider of competitive local telecommunications services.

¹ As a result of the FCC's recent decision in "Vonage Petition for Preemption from an Order of the Minnesota Public Utilities Commission" Memorandum Opinion and Order, FCC 04-267, released November 9, 2004

III. Technical Requirements

1. Facilities to be Used

All services provided by Applicant will be facilities-based. These facilities will use existing structures and as such will not result in any environmental damage. To begin operations, Applicant initially installed one softswitch device at each of its switch centers located in Las Vegas, Chicago, New York and Atlanta. These switch centers are connected to Applicant's network operations center in Las Vegas. The total cost of these softswitches was approximately \$2.5 million. This will be sufficient to establish the national reach of Applicant's network. CommPartners expects to deploy additional softswitches as traffic volume increases in specific geographic areas. These additional investments are expected to incrementally reduce transport costs as the switches are placed closer to end-users' traffic.

2. Description of Network

CommPartners network is a "hub-centric" topology consisting of CommPartners' switching centers located in Las Vegas, Chicago, Atlanta and New York. These switch centers are collocation points situated in highly sophisticated environments where large numbers of network providers meet for interconnection among their networks. At these locations, CommPartners has placed softswitch equipment, routers and border control devices.

CommPartners has entered into a one-year, renewable contract with Internap, a managed Internet aggregation company, to manage CommPartners' VoIP traffic that originates with non-dedicated broadband access. With the use of Internap's infrastructure connected independently at each of CommPartners' switching centers, CommPartners' data traffic is one step away from the strong majority of major Internet backbone carrier in the country. VoIP traffic initiated from end-users on CommPartners' network is carried from the Internet to CommPartners' nearest switch center in a prioritized fashion by Internap. Internap provides 100% up-time service level agreements and routes packets across the Internet in the least congested configuration available. Internap's management of CommPartners' non-dedicated broadband access VoIP traffic will minimize time delays and quality erosion associated with moving IP traffic across the public Internet.

CommPartners' system is designed to route calls originating on CommPartners' network to the nearest switch site and transport them to the receiving party in the most efficient manner possible. Each of CommPartners' switching centers is connected to the PSTN by traditional voice transport circuits which we lease from telecommunications carriers. CommPartners' switch sites are interconnected by high capacity fiber links leased from telecommunications carriers, creating a controlled, high quality VoIP backbone providing favorable economics for the movement of VoIP calls across the US.

As CommPartners becomes approved as a competitive carrier in each state, CommPartners will lease traditional voice transport from each of CommPartners' switch sites to access tandem switch centers owned and operated by the incumbent local exchange carrier in each state. After CommPartners has access to these tandems, VoIP traffic can be terminated through the tandem to the local rate center to other CLECs and to wireless carriers for delivery to the receiving party.

CommPartners believes that security and quality of service are critical factors to CommPartners success. Thus, CommPartners has integrated border control devices into each of CommPartners' switch sites. These devices function as VoIP firewalls to protect the integrity of CommPartners' network from hackers. The combination of border control devices with managed Internet routing is designed to yield maximum protection from unlawful intruders while providing a quality of service for VoIP traffic comparable to traditional telephone calls.

The actual call flow within CommPartners' network is summarized as follows: an end-user initiates the call as a data transmission. The call flows from the end-user's broadband provider to CommPartners' nearest switch and is then routed to CommPartners' switch that is closest to the called party. At the switch site nearest the called party, CommPartners determines whether the called party is also a VoIP user or a user of traditional voice services. If the called party is a VoIP user, CommPartners terminates the call as a data transmission over their broadband connection and never accesses the PSTN. However, if the called party is a traditional voice user, CommPartners converts the call into a traditional voice protocol and sends the call to the nearest RBOC/ILEC/CLEC or wireless carrier's local telephone switch that serves the called party.

CommPartners' network approach and design delivers superior capabilities, achieves the same geographic coverage and leverages the burgeoning market opportunity for a fraction of the

infrastructure capital investment required of traditional voice networks. The structure of CommPartners' network also allows solutions for two pressing issues for the offering of VoIP – CALEA and emergency 911 services. CommPartners has contracted with a noted telecommunications solutions provider to develop a 911 application for VoIP. This partner currently provides 911 functionality to approximately 40% of the cellular market. This solution should be available in early 2005. In the meantime, CommPartners will utilize standard E911 systems to provide emergency services to its wholesale customers.

Only in rare occasions will Applicant will be engaged in providing basic circuit-switched telephony. Applicant will maintain compliance with its duly filed tariffs for these services.

3. TRA Standards Will be Met

CommPartners services will satisfy the minimum standards established by the TRA. The Company will file and maintain tariffs in the manner prescribed by the TRA and will meet minimum basic local standards, including quality of service and billing standards required of all LECs regulated by the TRA. Applicant will not require customers to purchase CPE, which cannot be used with the Incumbent Local Exchange Carrier's systems. The biographies in Exhibit 3 attest to the vast experience the management team enjoys, its ability to carry out the plan described above, and that CommPartners is certainly technically qualified to provide local exchange service in Tennessee.

4. Proposed Service Area:

CommPartners is in the process of acquiring authorizations to provide telecommunications services in all fifty states and the District of Columbia. Applicant has been approved in the following states: Massachusetts, Pennsylvania, Florida, Kentucky, Nevada, Hawaii, California, Montana, and Colorado. CommPartners has never had an application denied. The Applicant proposes to offer its services throughout the State of Tennessee beginning in local exchange areas currently being served by incumbents BellSouth and Sprint/United, which are designated open to competition. Applicant does not plan to offer services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines. CommPartners intends to offer its advanced communications services through the use of its own facilities, resold facilities, and through a combination of these provisioning methods.

5. Types of Local Exchange Service to be provided:

CommPartners expects to offer a broad variety of local exchange services, primarily to wholesale and business customers in Tennessee. CommPartners' initial line of local services will be comparable to that currently offered by the incumbent LECs. Initially, CommPartners plans to offer basic access line service, PBX and DID Services, Optional Calling Features, Directory Assistance, Directory Services, and Operator Services, as well as all services required under Chapter 1220-4-8-.04 (3) (6) and (2).

6. Repair and Maintenance

CommPartners understands the importance of effective customer service for local service customers. CommPartners has made arrangements for its customers to call the company at its toll-free customer service number. In addition, customers may contact the company in writing at the headquarters address, as well as via email at info@commpartners.us. The toll free number will be printed on the customer's monthly billing statements. The designated contact person knowledgeable about CommPartners' operations in Tennessee is David Clark, President.

IV. Financial Requirements

CommPartners enjoys significant access to capital and the financial resources to operate as a competitive local service provider in Tennessee. CommPartners has the financial backing of multiple sophisticated funding operations including Circle F Ventures and investor Maurice Gallagher. Applicant is already financially strong and independent. Applicant was initially funded in September 2003 with \$3 million to begin rolling out its operations. Applicant used this money as start-up funding for its initial operations. CommPartners then raised a bridge round of financing totaling \$10 million. Applicant will close a private placement offering shares to the public that will earn Applicant an additional \$15 million in funding during the first quarter of 2005. With this funding in place, Applicant's business plan will be fully funded to expected break-even point. Exhibit 4 contains the most recent profit and loss statement and statement of operations. The financial information does not anticipate any revenue from reciprocal compensation. Applicant has the financial resources necessary to carry out its responsibilities as a provider of the telecommunications services described herein.

V. Small and Minority-Owned Telecommunications Business Participation Plan:

Please see Exhibit 5.

VI. Service of Application

Applicant certifies that it has served notice of its application on the eighteen (18) incumbent local exchange telephone companies in Tennessee with a statement regarding CommPartners' intention of operating geographically. A certificate of service is attached as Exhibit 6.

VII. Toll Dialing Parity Plan

Applicant's toll dialing parity plan is attached as Exhibit 7.

VIII. Numbering Issues

Applicant's expected demand for NXXs per NPA within a year of approval of its Application is as follows:

LATA 468
NPA 270 (2)
662 (6)
731 (36)
901 (8)

LATA 470
NPA 615 (22)
918 (55)

LATA 472
NPA 423 (19)

LATA 474
NPA 423 (16)
865 (23)

2. How many NXXs do you estimate that you will request from NANPA when you establish your service footprint? 150

3. When and in what NPA do you expect to establish your service footprint?

See #1

4. Will the company sequentially assign telephone numbers within NXXs?

Yes

5. What measures does the company intend to take to conserve Tennessee numbering resources?

CommPartners will follow all NANPA guidelines and any TRA or FCC guidance on number conservation. With number pooling, CommPartners will only request NXX 1000 blocks.

6. When ordering new NXXs for growth, what percentage fill of an existing NXX does the company use to determine when a request for a new NXX will be initiated?

75%

IX. Operational Issues

1. How does the company intend to comply with TCA §65-21-114? In its description, please explain technically how the company will not bill for countywide calls within Tennessee.

CommPartners' billing for calls is different than traditional circuit-switched carriers. No calls originated and terminated in Tennessee will be subject to toll charges.

2. Is the company aware of the Tennessee County Wide Calling database maintained by BellSouth and the procedures to enter your telephone numbers on the database?

Yes, CommPartners will cooperate with BellSouth to ensure its telephone numbers are accurately placed in the Tennessee County Wide Calling database.

3. Is your company aware of the local calling areas provided by the Incumbent Local Exchange Carriers in your proposed service areas?

Yes.

4. Explain the procedures that will be implemented to assure that your customers will not be billed long distance charges for calls within the metro calling areas.

CommPartners' billing for calls is different than traditional circuit-switched carriers. No calls originated and terminated in Tennessee will be subject to toll charges.

5. Please provide the name and telephone number of an employee of your company that will be responsible to work with the TRA on resolving customer complaints.

All customer complaints should be directed first to CommPartners' President, David Clark. The telephone number is 702 367-8647.

6. Does the company intend to telemarket its services in Tennessee? If yes, is the company aware of the telemarketing statutes and regulations found in TCA §65-4-401 *et seq.* And Chapter 1220-4-11?

CommPartners will not use telemarketing in Tennessee. CommPartners is largely a wholesale carrier providing its services to resellers and agents. Those partners will be responsible for complying with Tennessee TCA §65-4-401 *et seq.* and Chapter 1220-4-11.

X. Public Interest

Grant of the Application will further the goals of the Tennessee Legislature and further the public interest by expanding the availability of competitive telecommunications services in the State of Tennessee. In addition, intrastate offering of these services is in the public interest because the services will provide Tennessee customers increased efficiencies and cost savings. Authorizing CommPartners to provide local exchange telecommunications services will enhance materially the telecommunications infrastructure in the State of Tennessee and will facilitate economic development.

In particular, the public will benefit both directly, through the use of the competitive services to be offered by CommPartners and indirectly, because CommPartners' presence in Tennessee will increase the incentives for other telecommunications providers to operate more efficiently, offer more innovative services, reduce their prices, and improve their quality of service. Grant of this Application will further enhance the service options available to Tennessee citizens for the reasons set forth above.

XI. Miscellaneous Issues

A. Sworn pre-filed testimony is attached to this Application Exhibit 8.

B. Tariffs will be filed after this Application is granted.

D. Applicant is not currently involved in any mergers or acquisitions Applicant's corporate structure is shown in Exhibit 1.

E. Applicant does not require customer deposits.

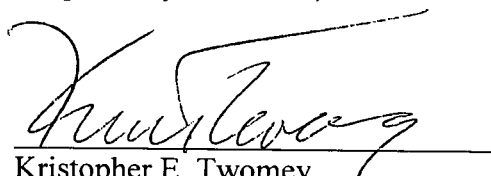
F. Applicant has never received a slamming or any other complaint filed with a state or federal regulatory agency involving Applicant or its affiliated entities.

G. Applicant will not offer services in areas served by any incumbent local exchange telephone company with fewer than 100,000 total access lines, unless that carrier's rural exemption has been eliminated.

WHEREFORE, CommPartners, LLC requests that the Commission:

- (a) Grant Applicant authorization to provide facilities-based and resale local exchange services in eligible incumbent local exchange carrier areas service provider throughout the State of Tennessee in the service areas of Bell South, ALLTEL, Sprint and any other ILEC that does not enjoy a rural exemption under Section 251(f) of the Telecommunications Act of 1996;
- (b) Make the grant effective on the date of issuance;
- (c) Authorize the filing of tariffs after the effective date of such a grant, such tariffs to be effective upon approval; and
- (d) Grant such further relief as may be just and reasonable.

Respectfully submitted,


Kristopher E. Twomey
Counsel for CommPartners, LLC

January 28, 2005

EXHIBIT 1

Organizational Chart and Corporate Affiliate Description

102

CommPartners HoldCo, LLC is the sole member of CommPartners, LLC. CommPartners HoldCO, LLC is the parent company to two LLCs. The first is CommPartners, LLC, the regulated carrier applicant. The second is CommPartners Network Services, LLC which is the unregulated services company, providing back office support and VoIP services to its wholesale customers. CommPartners, LLC is the actual provider of network functionality and sells access to its VoIP network to CommPartners Network Services and other VoIP providers.

Organizational Structure

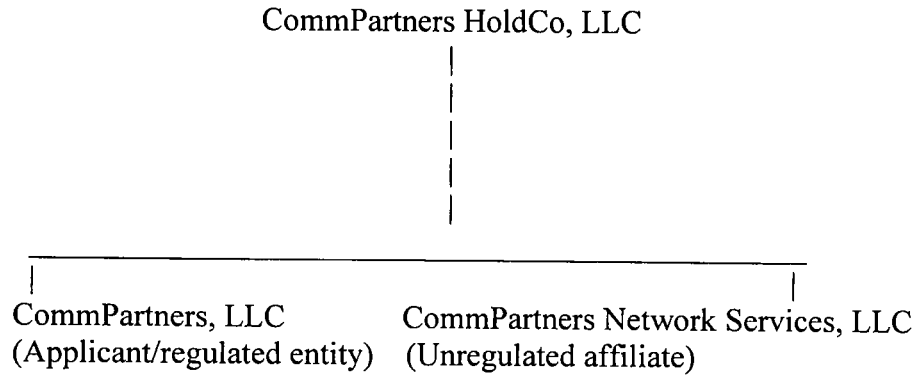


EXHIBIT 2

**Articles of Organization
and
Certificate of Status Issued by the Tennessee Secretary of State**

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 01/11/05
REQUEST NUMBER: 5318-0990
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 01/10/05 1021
EFFECTIVE DATE/TIME: 01/10/05 1021
CONTROL NUMBER: 0484875

TO:
LOKT CONSULTING
1519 E. 14TH ST
SUITE A
SAN LEANDRO, CA 94577

RE:
COMMPARTNERS, LLC
APPLICATION FOR CERTIFICATE OF AUTHORITY -
LIMITED LIABILITY COMPANY

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED LIMITED LIABILITY COMPANY
CERTIFICATE OF AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED
ABOVE.

A LIMITED LIABILITY COMPANY ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF
STATE ON OR BEFORE THE FIRST DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF TH

LIMITED LIABILITY COMPANY'S FISCAL YEAR. ONCE THE FISCAL YEAR HAS BEEN
ESTABLISHED, PLEASE PROVIDE THIS OFFICE WITH WRITTEN NOTIFICATION. THIS OFFICE
WILL MAIL THE REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE LIMITED
LIABILITY COMPANY AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING
ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO
MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE LIMITED LIABILITY
COMPANY TO ADMINISTRATIVE REVOCATION OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE
REFER TO THE LIMITED LIABILITY COMPANY CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY -
LIMITED LIABILITY COMPANY

ON DATE: 12/07/04

FROM:
COMMPARTNERS, LLC
3291 N. BUFFALO DR
SUITE 8
LAS VEGAS, NV 89129-0000

RECEIVED: FEES \$300.00 \$0.00

TOTAL PAYMENT RECEIVED: \$300.00

RECEIPT NUMBER: 00003614216
ACCOUNT NUMBER: 00474220

Riley C Darnell

RILEY C DARNELL
SECRETARY OF STATE



State of Tennessee



Department of State

Corporate Filings
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, TN 37243

APPLICATION FOR
CERTIFICATE OF AUTHORITY
(Limited Liability Company)

For Office Use Only

SECRETARY OF STATE

2004-DEC-7 AM 9:50

To the Secretary of State of the State of Tennessee

Pursuant to the provisions of § 48-246-301 of the Tennessee Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth

1 The name of the Limited Liability Company is CommPartners, LLC

If different, the name under which the certificate of authority is to be obtained is _____

NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign Limited Liability Company if its name does not comply with the requirements of § 48-207-101 of the Tennessee Limited Liability Company Act. If obtaining a certificate of authority under an assumed Limited Liability Company name, an application must be filed pursuant to § 48-207-101(d).

2 The state or country under whose law it is formed is Nevada

3 The date of its organization is 12/31/2003 (must be month, day and year)

4 The complete street address (including zip code) of its principal office is

3291 North Buffalo Road, Suite 8, Las Vegas, NV 89129

Street City/State Zip Code

5 The complete street address (including the county and the zip code) of its registered office in Tennessee

530 Gay Street Knoxville, TN Knox 37902

Street City/State County Zip Code

The name of its registered agent at that office is CT Corporation System

6 The number of members at the date of filing one

7 If the limited liability company commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) N/A

NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under whose law it is organized. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.

11/30/04
Signature Date

Regulatory Counsel
Signer's Capacity

CommPartners, LLC
Name of Limited Liability Company

[Signature]
Signature

Kristopher E. Twomey
Name (typed or printed)



DEAN HELLER
Secretary of State
206 North Carson Street
Carson City, Nevada 89701-4299
(775) 684 5708
Website: secretaryofstate.biz

FILED # LLC 20673-03

DEC 31 2003

IN THE OFFICE OF
Dean Heller
DEAN HELLER, SECRETARY OF STATE

Articles Of Organization Limited-Liability Company

(PURSUANT TO NRS 86)

Important: Read attached instructions before completing form.

ABOVE SPACE IS FOR OFFICE USE ONLY

1. <u>Name of Limited-Liability Company</u>	CommPartners, LLC		
2. <u>Resident Agent</u> <u>Name and Street Address:</u> <small>(must be a Nevada address where process may be served.)</small>	David S. Clark Name 3291 N. Buffalo Drive, #8 Physical Street Address Las Vegas City NEVADA 89129 Zip Code Additional Mailing Address City State Zip Code		
3. <u>Dissolution Date:</u> <small>(OPTIONAL-see instructions.)</small>	Latest date upon which the company is to dissolve (if existence is not perpetual):		
4. <u>Management:</u> <small>(check one)</small>	Company shall be managed by <input type="checkbox"/> Manager(s) OR <input checked="" type="checkbox"/> Members		
<u>Names, Addresses, of Manager(s) or Members:</u> <small>(attach additional pages as necessary)</small>	CommPartners HoldCo, LLC Name 3291 N. Buffalo Drive, #8 Address Las Vegas City Nevada State 89129 Zip Code Name Address City State Zip Code Name Address City State Zip Code		
5. <u>Names, Addresses and Signatures of Organizers</u> <small>(if more than one organizer attach additional page)</small>	CommPartners HoldCo, LLC Name Signature <i>David S. Clark</i> 3291 N. Buffalo Drive, #8 Address Las Vegas City Nevada State 89129 Zip Code		
6. <u>Certificate of Acceptance of Appointment of Resident Agent:</u>	I hereby accept appointment as Resident Agent for the above named limited-liability company. <i>David S. Clark</i> Authorized Signature of R.A. or On Behalf of R.A. Company Date <u>12/5/03</u>		

This form must be accompanied by appropriate fees. See attached fee schedule.

EXHIBIT 3

Biographies of Management and Directors

David S. Clark – President and Director. Since participating in Applicant's founding in June 2003, Mr. Clark has served as Applicant's President and a member of Applicant's board of directors. Mr. Clark has overall responsibility for strategic guidance, personnel, financing, sales and corporate development/administration. From May 1997 to January 2001, Mr. Clark was Senior Vice President, Sales & Marketing and Senior Vice President, Investor Relations for MGC/Mpower Communications. Mr. Clark's responsibilities included corporate sales and marketing development and implementation and a leading role in securing nearly \$1 billion in private equity, IPO, secondary equity and high yield debt financing. Mr. Clark was also the primary contact for investors and Wall Street funds and analysts at Mpower. From February 2001 to June 2001, Mr. Clark was the Chief Operating Officer for Wedding Referral Services (an Internet services company) and from August of 2001 to July 2002, he was the President and Chief Executive Officer for Pinnacle Armor (a manufacturer of patented, advanced ballistic armor). Mr. Clark has been in the telecommunications industry since 1989 with companies spanning private pay telephone, inmate phone system and specialty satellite services. Mr. Clark was a civilian contractor to the British military in Bosnia and was responsible for the Welfare Phone Service (via satellite) provided to British troops serving under the United Nations peacekeeping mandate. Mr. Clark serves as a director of Antenna Technology Communications, Inc. in Chandler, Arizona, and holds a degree in Mass Communications from Texas Tech University. Mr. Clark resides in Las Vegas, Nevada.

Patrick Chicas – Vice President & Chief Technology Officer and Director. Since co-founding CommPartners in June 2003, Mr. Chicas has served as Applicant's Vice President and Chief Technology Officer and as a member of Applicant's board of directors. Mr. Chicas is responsible for the network architecture and topology, vendor selection, POP construction and all engineering aspects of the Company. From August 2000 to November 2003, Mr. Chicas was the president, co-Chairman and a member of the board at Rubicon Media Group, an Internet publishing concern. From March 1999 to August 2000, Mr. Chicas was the Vice President for Data Services at Mpower Communications. While at Mpower, Mr. Chicas designed the company's VoIP network for small business services. From January 1997 to September 1998, Mr. Chicas was the first executive hire and Vice President of Operations at Digital Island, Inc. Mr. Chicas has prior telecommunications experience with PacTel Cellular (now Verizon) and GTE Mobilnet (now Verizon). As an early participant in Internet-related businesses, Mr. Chicas

was a co-founder of Hawaii Online's Internet Access Service. Hawaii Online was the first statewide ISP in Hawaii and was ultimately sold to GST Communications. Mr. Chicas also co-founded LJ net, an ISP founded to serve rural communities in the western United States. Mr. Chicas resides in Las Vegas, Nevada.

James H. Thompson – Vice President & Chief Integration Officer. Mr. Thompson co-founded Applicant and has served as Applicant's Vice President and Chief Integration Officer since June 2003. From 1997 to May 2003, Mr. Thompson was an independent consultant for numerous ISPs and is a long time business associate of Mr. Chicas. Prior to 1997, Mr. Thompson was a co-founder of Hawaii Online and LJ.net Internet service providers with Mr. Chicas. Mr. Thompson also spent nine years at VeriFone where he was responsible for the design of the communications infrastructure that has allowed VeriFone to become a leader in point-of-sale transactions. Mr. Thompson's earlier career experience included a posting as vice president of technology for Knight-Ridder's Viewtron service and various joint projects with AT&T Bell labs. Mr. Thompson currently serves as a board member of Royal Hawaiian Entertainment. Mr. Thompson holds a Bachelor of Science in Electrical Engineering from the University of Hawaii and lives in Honolulu, Hawaii.

Mitchell H. Allee – Vice President & Chief Systems Officer. Mr. Allee co-founded Applicant and has served as Vice President and Chief Systems Officer since June 2003. Mr. Allee is responsible for the integration of all network operating components with Applicant's back-office platform. Since 1985, Mr. Allee has served as the Chairman, CEO and COO of CMS Solutions Inc. CMS Solutions is a computer software consulting company specializing in custom design of on-time, real time, integrated operational business management control systems. At CMS Solutions, Mr. Allee is responsible for strategic planning, sales, support, technical direction and financial management and control. From 1997 to the present, Mr. Allee has also served as the co-Chairman and CEO of Allegiant Airlines, a charter and scheduled service carrier Mr. Allee founded. Mr. Allee authored the operating system for ValuJet, which pioneered the use of "ticketless" travel in the airline industry. Mr. Allee also developed the integrated back-office system used by Mpower Communications. Mr. Allee has a thorough and in-depth knowledge of telephone operating and billing back-office systems. Mr. Allee is a graduate of Louisiana State University and lives in Fresno, California.

Mark Peterson – Vice President, Sales and Marketing. Mr. Peterson joined Applicant as Vice President of Sales & Marketing in August 2004. From February 2002 to July 2004, Mr. Peterson was Vice President of Sale & Marketing for Allegiant Airlines, where he was responsible for marketing, sales, corporate communications and reservations functions. From January 2001 to January 2002, Mr. Peterson served as a consultant with Gallagher Equity Management, providing management services to invested companies. From February 1996 to October 2000, Mr. Peterson was the President for the Western Region of Mpower Communications. In this role, Mr. Peterson was responsible for the company's profit and loss, sales, marketing and operations in California and Nevada. Mr. Peterson holds a Bachelor of Arts in Political Science from California State University, Chico. Mr. Peterson also attended the California Northern School of Law. Mr. Peterson lives in Fresno, California.

Mike Burke – Vice President, Operations. Mr. Burke has served as Vice President, Operations for Applicant since June 2004. Mr. Burke is responsible for the construction, deployment and operation of Applicant's network throughout the United States. From September 2003 to April 2004, Mr. Burke served as Regional Director at Amerisco E3 Energy Services. From January 2003 to August 2003, he served as the General Manager for E3 Energy Services (subsequently purchased by Amerisco) From December 2000 to January 2003, Mr. Burke was the Executive Director for Sierra Pacific Communications. In this role, Mr. Burke was responsible for the development and deployment of a state-wide fiber optic network in Nevada. From November 1996 to November 2000, Mr. Burke was a Vice President at MGC/Mpower Communications. At Mpower, Mr. Burke was in charge of network strategic planning and operations. Mr. Burke resides in Henderson, Nevada.

Maurice J. Gallagher, Jr. – Director. Mr. Gallagher is an initial investor and member of Applicant's board of directors. From September 2001 to the present, Mr. Gallagher has served as co-Chairman of Allegiant Airlines. In early 1996, Mr. Gallagher co-founded MGC Communications, Inc. (now Mpower Communications) one of the first competitive local exchange carriers after the advent of the Telecommunications Act of 1996. Mr. Gallagher has a long entrepreneurial history including co-founding ValuJet Airlines, BankServ and investing and providing senior management direction to companies that include telecommunications and Internet applications service provider companies. Mr. Gallagher is the principal of Gallagher

Equity Management, a private equity firm located in Las Vegas, Nevada. Mr. Gallagher is a graduate of the University of California at Davis with a Bachelor of Arts in History and holds an MBA from the University of California at Berkeley. Mr. Gallagher resides in Las Vegas, Nevada.

Daniel A. Cartwright – Director. Since Applicant's inception in June 2003, Mr. Cartwright has served as a member of Applicant's board of directors. Mr. Cartwright also currently serves as Executive Vice President of Circle F Ventures, LLC, a venture capital firm, and has served in this capacity since 1996. Since February 1996, Mr. Cartwright has also been the Treasurer and Chief Financial Officer of Fleming Securities. Mr. Cartwright serves on four boards of directors: Copper Star Bank, WEB Corp., Antenna Technology Communications, Inc. and Primetrica, Inc. Mr. Cartwright has extensive experience in the healthcare, cable, telecommunications and satellite industries. Mr. Cartwright has a Bachelor of Science degree in Accounting from Arizona State University and received his CPA license from the state of Texas. Mr. Cartwright lives in Tempe, Arizona.

Jeffrey Hardesty – Director. Since Applicant's inception, Mr. Hardesty has served as a member of Applicant's board of directors. From 1996 to the present, Mr. Hardesty has been the primary technology consultant for Circle F Ventures. In this role, Mr. Hardesty evaluates investment opportunities from an information system and core technology perspective. Since 1993, Mr. Hardesty has also served as the Chief Financial Officer and Chief Technology Officer for a crystal and oscillator business. From 1986 to the present, Mr. Hardesty has consulted for a wide range of business in the information systems industry. Mr. Hardesty holds a bachelors degree in accounting from Mesa State College and lives in Scottsdale, Arizona.

Note on MPower Communications:

Members of Applicant's management team and its initial investors were involved in the management of MGC Communications, now MPower Communications Corp. ("MPower"), prior to its filing for reorganization under Chapter 11 of the bankruptcy code. None of these individuals were employed by MPower at the time of this filing.

Reflecting the deteriorating financial condition of the competitive carrier industry as a whole, on April 8, 2002, MPower filed a voluntary, pre-negotiated plan under Chapter 11 of the Federal bankruptcy code in the U.S. Bankruptcy Court for the District of Delaware to retire \$583.4 million in debt and preferred stock.² MPower emerged from Chapter 11 on July 17, 2002 with a recapitalization plan approved by the court and continues to operate in many states.³

² <http://www.mpowercom.com/corpinfo/news/news040802.htm>

³ <http://www.mpowercom.com/corpinfo/news/news071702.htm>

EXHIBIT 4

Financial Statements

CommPartners Holding Corporation
(Successor to CommPartners HoldCo, LLC)
Statements of Operations
From the Period June 5, 2004 (date of inception) to December 31, 2003
and the Year Ended December 31, 2004

	For the Year Ended 12/31/04	From June 5, 2003 (date of inception) to 12/31/2003
Revenues	\$ 58,300	
Direct costs		
Personnel	456,587	33,116
Network and infrastructure	359,815	44,182
Telco and access fees	230,310	
Depreciation and amortization	106,468	1,558
Other		
Total direct costs	1,153,179	78,856
Gross margin		
Sales and marketing	180,983	3,679
General and administrative	770,242	120,495
Total S, G & A costs	951,225	124,174
Interest expense	55,797	
Operating loss	\$ 2,101,901	\$ 203,030

The accompanying notes are an integral part of these financial statements

CommPartners Holding Corporation
(Successor to CommPartners HoldCo, LLC)
Consolidated Balance Sheets
As of December 31, 2004 and 2003

	<u>12/31/2004</u>	<u>12/31/2003</u>
ASSETS		
Current assets		
Cash	\$ 9,817,233	\$ 1,050,439
Accounts receivable		
Inventory	10,920	-
Prepaid expenses	99,213	-
Deposits	53,040	3,040
Notes receivable		
Total current assets	<u>9,980,407</u>	<u>1,053,479</u>
Fixed assets		
Computers and equipment	2,948,061	735,507
Software licenses	778,236	2,105
Furniture and fixtures	12,646	-
Leasehold improvements		
accumulated depreciation	<u>(108,517)</u>	<u>(1,880)</u>
Total fixed assets	<u>3,630,424</u>	<u>735,733</u>
Total assets	<u><u>\$ 13,610,831</u></u>	<u><u>\$ 1,789,212</u></u>
LIABILITIES		
Current liabilities		
Accounts payable	396,891	386,909
Notes payable ST		
Maturities of long-term debt		
Accrued Liabilities	1,228,995	38
Total current liabilities	<u>1,625,886</u>	<u>386,947</u>
Total liabilities	1,625,886	386,947
EQUITY		
Common stock	10,058	6,733
Additonal paid-in capital - common stock	3,096,942	1,593,267
Preferred stock	11,182,876	-
Accumulated deficit	(203,030)	-
Loss for current period	<u>(2,101,901)</u>	<u>(203,030)</u>
Total equity	<u>11,984,946</u>	<u>1,396,970</u>
Total liabilities & equity	<u><u>\$ 13,610,831</u></u>	<u><u>\$ 1,783,917</u></u>

The accompanying notes are an integral part of these financial statements

CommPartners Holding Corporation
(Successor to CommPartners HoldCo, LLC)
Notes to Consolidated Financial Statements
Year Ended December 31, 2004 and the Period from June 5, 2003 (inception date of
the Company) to December 31, 2003

1. Summary of Business and Significant Accounting Policies

General

The consolidated financial statements included herein have been prepared by CommPartners Holding Corporation (the “Company” or “we”) without audit by an independent accountant. Certain information and disclosures normally included in accordance with generally accepted accounting principles have been condensed or omitted. However, we believe that the disclosures are adequate so that the information presented is not misleading.

Year-end

The Company’s fiscal year end is December 31.

Business

We consider ourselves to be an “IP-based communications company” and began selling voice over internet protocol (“VoIP”) services in October 2004. We plan to sell other services related to IP-based communications.

CommPartners HoldCo LLC was formed as a Nevada limited liability company in June 2003. In December 2004, all of the assets and business of CommPartners HoldCo LLC were merged into CommPartners Holding Corporation, which is the successor corporation. We also conduct our business through the following subsidiaries.

CommPartners, LLC - this company will hold all CLEC certifications and purchase transport facilities under our interconnection agreements.

CommPartners Network Services, LLC - this company will market, sell and bill wholesale VoIP services to broadband service providers

Principles of Consolidation

The consolidated financial statements include the accounts of us and our subsidiaries. All material intercompany accounts and transactions have been eliminated.

Property and Equipment

Property and equipment, which consists of computers, network equipment and furniture and fixtures, is stated at cost, less accumulated depreciation. Major improvements and renewals are capitalized, while ordinary maintenance and repairs are expensed. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from three to seven years. Management reviews these assets on an ongoing basis to determine whether carrying values have been impaired.

2. Related Party Transactions

The controlling stockholders of our Company and their affiliates contributed \$5.8 million which became part of the Company's initial preferred stock offering, which totaled \$10.145 million and was completed in October 2004.

In the normal course of business, we lease our primary office space from an entity affiliated with one of our controlling stockholders. Rents paid for this office space were \$90,900 and \$2,600, respectively, in the nine month period ended September 30, 2004 and the 2003 fiscal year.

In 2003, we acquired a perpetual software license to the systems that will facilitate primarily all aspects of the business. The license was acquired from a company that is owned by one of our founding stockholders, who is also an officer. We paid 232,558 shares of our common stock, valued at \$100,000, for the license and pay \$60,000 annually for system maintenance.

3. Subsequent Event

The Company's placement agent is completing a private equity offering of preferred stock with a final closing date of February 15, 2005. The Company has already completed an initial closing on this offering in the amount of \$5.6 million in December 2004. The Company's placement agent is confident that it will close the second round of the Company's offering for at least an additional \$7 million and up to an additional \$9 million.

CommPartners HoldCo, LLC
Statements of Operations
Budget

For the 3-years ended 12/31/07

	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05
	Budget	Budget	Budget	Budget	Budget	Budget
REVENUES						
Recurring Revenues						
Branded Services	\$ -	\$ 51,672	\$ 79,828	\$ 119,762	\$ 191,493	\$ 250,135
Carrier Services	\$ -	\$ -	\$ 88,110	\$ 198,990	\$ 309,870	\$ 507,870
Total Recurring Revenues	\$ -	\$ 51,672	\$ 167,938	\$ 318,752	\$ 501,363	\$ 758,005
Non-Recurring Revenues						
Partner Setup Fees & Sub Activation Fees	\$ -	\$ 52,610	\$ 41,540	\$ 47,910	\$ 71,720	\$ 65,850
CPE & SIP Phones	\$ -	\$ 123,101	\$ 75,391	\$ 98,772	\$ 193,243	\$ 164,619
Total Non-Recurring Revenues	\$ -	\$ 175,711	\$ 116,931	\$ 146,682	\$ 264,963	\$ 230,469
TOTAL REVENUES	\$ -	\$ 227,384	\$ 284,869	\$ 465,434	\$ 766,326	\$ 988,474
COST OF GOODS SOLD						
Recurring COGS						
Network & Infrastructure	\$ (133,759 41)	\$ (210,419 21)	\$ (282,918 81)	\$ (427,279 01)	\$ (571,639 21)	\$ (715,999 41)
Telco & Access Fees	\$ (34,005 64)	\$ (58,799 39)	\$ (84,305 20)	\$ (125,630 72)	\$ (173,118 19)	\$ (220,940 41)
Total Recurring COGS	\$ (167,765 05)	\$ (269,218 60)	\$ (367,224 01)	\$ (552,909 74)	\$ (744,757 41)	\$ (936,939 82)
Non-Recurring COGS						
CPE & SIP Phones	\$ -	\$ (109,423)	\$ (67,014)	\$ (87,797)	\$ (171,772)	\$ (146,328)
Telco & Access Fees	\$ (59,582)	\$ (59,582)	\$ (118,632)	\$ (118,632)	\$ (118,632)	\$ (147,358)
Total Non-Recurring COGS	\$ (59,581 76)	\$ (169,005 02)	\$ (185,645 66)	\$ (206,428 52)	\$ (290,403 38)	\$ (293,686 76)
TOTAL COST OF GOOD SOLD	\$ (227,347)	\$ (438,224)	\$ (552,870)	\$ (759,338)	\$ (1,035,161)	\$ (1,230,627)
GROSS MARGIN	\$ (227,347)	\$ (210,840)	\$ (268,001)	\$ (293,904)	\$ (268,835)	\$ (242,152)
% of Revenue	0%	-93%	-94%	-63%	-35%	-24%

Operating Expenses												
Network & Operations Personnel	\$ (173,882 99)	\$ (173,882 99)	\$ (173,882 99)	\$ (193,716 32)	\$ (193,716 32)	\$ (200,553 13)						
Network Costs & Maint	\$ (82,476)	\$ (78,476)	\$ (78,476)	\$ (82,476)	\$ (82,476)	\$ (78,476)						
Total Operating Expenses	\$ (256,359 03)	\$ (252,359 03)	\$ (252,359 03)	\$ (276,192 36)	\$ (272,192 36)	\$ (279,029 16)						
SG&A Expenses												
Administrative Personnel	\$ (36,750)	\$ (36,750)	\$ (36,750)	\$ (43,918)	\$ (43,918)	\$ (45,205)						
Sales & Marketing	(143,047)	(187,692)	(188,000)	(179,991)	(193,588)	(189,391)						
Personnel Costs	(47,473)	(50,421)	(50,421)	(56,071)	(56,071)	(56,762)						
Depreciation and amortization	\$ (59,811)	\$ (60,207)	\$ (61,290)	\$ (61,612)	\$ (62,640)	\$ (64,750)						
Administrative Overhead	(28,845)	(28,965)	(58,965)	(29,205)	(29,205)	(29,205)						
Total SG&A Expenses	\$ (315,927)	\$ (364,035)	\$ (395,426)	\$ (370,797)	\$ (385,421)	\$ (385,313)						
OPERATING MARGIN												
% of Revenue	#DIV/0!	-364%	-321%	-202%	-121%	-92%						
Other Income & Expenses												
Interest Income	\$ 20,000	\$ 20,000	\$ 20,000	\$ 26,979	\$ 25,406	\$ 23,819						
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
Total Other Income & Expenses	\$ 20,000	\$ 20,000	\$ 20,000	\$ 26,979	\$ 25,406	\$ 23,819						
NET MARGIN	(779,633)	(807,235)	(895,786)	(913,915)	(901,042)	(882,675)						
% of Revenue		-355%	-314%	-196%	-118%	-89%						
Cash Flow Items.												
Addback depreciation	\$ 59,811 16	\$ 60,207 34	\$ 61,290 33	\$ 61,611 86	\$ 62,640 34	\$ 64,749 67						
Cash Inflow (net of comm)	\$ 6,438,000	\$ -	\$ -	\$ -	\$ -	\$ -						
Less Capital expenditures	\$ (401,588)	\$ (75,000)	\$ (52,929)	\$ (48,667)	\$ (71,709)	\$ (102,485)						
Less inventory build	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
Less prepaid/deposit increase	\$ (8,000)	\$ (8,000)	\$ (8,000)	\$ (8,000)	\$ (8,000)	\$ (8,000)						
Less EBITDA	\$ (799,633)	\$ (827,235)	\$ (915,786)	\$ (940,893)	\$ (926,449)	\$ (906,494)						
Subtotal	\$ 5,288,590	\$ (850,027 19)	\$ (915,424 91)	\$ (935,948 49)	\$ (943,516 95)	\$ (952,229 21)						
Beginning Cash balance*	\$ 9,600,000	\$ 14,888,590	\$ 14,038,563	\$ 13,123,138	\$ 12,187,190	\$ 11,243,673						
Ending Cash	\$ 14,908,590	\$ 14,058,563	\$ 13,143,138	\$ 12,214,169	\$ 11,269,079	\$ 10,315,263						
Accounts Receivable Balance												
Receivable at Month's End	\$ -	\$ 51,672	\$ 101,855	\$ 169,510	\$ 268,960	\$ 377,102						
Receivables as a % of Cash	0%	0%	1%	1%	2%	4%						

* Reflects revenues for subscribers & Carrier services payable at the end of the month (carrier billed weekly, so 25% of monthly billing will be payable at month's end)

Assumptions & Capital Expenditures

- 1 \$30 recurring revenue per customer average (Enterprise and Residential), as well as \$30 nonrecurring revenue avg per customer
- 2 Residential growth is a modest 100 subscribers per month after 2005
- 3 Enterprise growth is also a modest 1,000 subscribers per month after 2005
- 4 SG&A expenses level out after Q1 2006
- 5 Network and Infrastructure Expenses level out after the fully built network is completed in Q1 2006
- 6 Network Capitalized Expenses cease in Q2 2005, as all Switching equipment will be in place
- 7 Carrier Revenues increases past 15% capacity to 60% capacity in Q1 2006 as the network is completed
- 8 The increase in CapEx directly correlates to the increase in subscribers for Feature Platform Licenses
- 9 All Capex is included in the cash flow items detailed above as decrease in cash-flows
- 10 After Q2 2005, Capitalized Expenses are strictly limited to Software licenses for features supplied to Residential and Enterprise end-users

Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	FY 2005	Jan-06	Feb-06
Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
\$ 324,940	\$ 451,008	\$ 567,043	\$ 723,587	\$ 958,832	\$ 1,235,212	\$ 4,953,513	\$ 1,258,058	\$ 1,469,258
\$ 728,640	\$ 949,410	\$ 1,213,740	\$ 1,487,970	\$ 1,762,200	\$ 2,036,430	\$ 9,283,230	\$ 2,244,870	\$ 2,469,357
\$ 1,053,580	\$ 1,400,418	\$ 1,780,783	\$ 2,211,557	\$ 2,721,032	\$ 3,271,642	\$ 14,236,743	\$ 3,502,928	\$ 3,938,615
\$ 92,400	\$ 116,990	\$ 123,000	\$ 164,050	\$ 225,140	\$ 264,350	\$ 1,265,560	\$ 305,000	\$ 335,500
\$ 229,036	\$ 326,370	\$ 286,295	\$ 326,853	\$ 448,045	\$ 474,772	\$ 2,746,497	\$ 522,249	\$ 574,474
\$ 321,436	\$ 443,360	\$ 409,295	\$ 490,903	\$ 673,185	\$ 739,122	\$ 4,012,057	\$ 827,249	\$ 909,974
\$ 1,375,016	\$ 1,843,778	\$ 2,190,078	\$ 2,702,460	\$ 3,394,218	\$ 4,010,764	\$ 18,248,799	\$ 4,330,177	\$ 4,848,589
\$ (895,788 01)	\$ (1,075,576 61)	\$ (1,255,365 21)	\$ (1,435,153 81)	\$ (1,614,942 41)	\$ (1,759,302 61)	\$ (10,378,144)	\$ (1,935,232 87)	\$ (2,128,756 16)
\$ (277,524 41)	\$ (340,314 46)	\$ (400,761 41)	\$ (459,208 56)	\$ (525,720 84)	\$ (584,143 43)	\$ (3,284,473)	\$ (642,557 78)	\$ (706,813 55)
\$ (1,173,312 43)	\$ (1,415,891 08)	\$ (1,656,126 62)	\$ (1,894,362 38)	\$ (2,140,663 25)	\$ (2,343,446 05)	\$ (13,662,516 43)	\$ (2,577,790 65)	\$ (2,835,569 72)
\$ (203,587)	\$ (290,107)	\$ (254,484)	\$ (290,536)	\$ (398,263)	\$ (422,019)	\$ (2,441,330)	\$ (464,221)	\$ (510,643)
\$ (147,358)	\$ (147,358)	\$ (147,358)	\$ (147,358)	\$ (118,632)	\$ (88,309)	\$ (1,418,791)	\$ (147,358)	\$ (162,094)
\$ (350,945 66)	\$ (437,465 36)	\$ (401,842 46)	\$ (437,894 36)	\$ (516,894 14)	\$ (510,327 98)	\$ (3,860,121 06)	\$ (611,579 69)	\$ (672,737 66)
\$ (1,524,258)	\$ (1,853,356)	\$ (2,057,969)	\$ (2,332,257)	\$ (2,657,557)	\$ (2,853,774)	\$ (17,522,737)	\$ (3,189,370)	\$ (3,508,307)
\$ (149,242)	\$ (9,578)	\$ 132,108	\$ 370,203	\$ 736,660	\$ 1,156,990	\$ 726,062	\$ 1,140,806	\$ 1,340,281
-11%	-1%	6%	14%	22%	29%	4%	0%	28%

\$	(208,053.13)	\$	(208,053.13)	\$	(208,053.13)	\$	(213,553.13)	\$	(207,470.48)	\$	(207,470.48)	\$	(2,362,288)	\$	(217,844.00)	\$	(228,736.20)
\$	(82,476)	\$	(78,476)	\$	(78,476)	\$	(82,476)	\$	(78,476)	\$	(78,476)	\$	(957,712)	\$	(82,400)	\$	(82,400)
\$	(290,529.16)	\$	(286,529.16)	\$	(286,529.16)	\$	(296,029.16)	\$	(285,946.51)	\$	(285,946.51)	\$	(3,320,001)	\$	(300,243.84)	\$	(311,136.04)
\$	(58,705)	\$	(58,705)	\$	(58,705)	\$	(58,705)	\$	(58,705)	\$	(58,705)	\$	(595,522)	\$	(58,705)	\$	(58,705)
	(186,783)		(196,316)		(205,429)		(222,166)		(211,262)		(214,359)		(2,318,025)		(235,795)		(259,375)
	(60,418)		(61,401)		(57,957)		(59,076)		(56,305)		(56,305)		(668,680)		(56,305)		(56,305)
\$	(71,344)	\$	(74,459)	\$	(77,948)	\$	(82,341)	\$	(87,871)	\$	(94,637)	\$	(858,911)	\$	(45,722)	\$	(58,955)
	(29,365)		(29,405)		(29,405)		(29,525)		(29,525)		(29,525)		(381,141)		(29,525)		(29,525)
\$	(406,616)	\$	(420,286)	\$	(429,445)	\$	(451,813)	\$	(443,668)	\$	(453,531)	\$	(4,822,279)	\$	(426,052)	\$	(462,865)
\$	(846,387)	\$	(716,393)	\$	(583,866)	\$	(377,639)	\$	7,046	\$	417,512	\$	(7,416,218)	\$	414,510	\$	566,280
	-62%		-39%		-27%		-14%		0%		10%		-41%	#DIV/0!		12%	
\$	21,593	\$	20,210	\$	18,975	\$	18,013	\$	17,589	\$	17,736	\$	250,320	\$	20,000	\$	17,258
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	21,593	\$	20,210	\$	18,975	\$	18,013	\$	17,589	\$	17,736	\$	250,320	\$	20,000	\$	17,258
	(824,794)		(696,184)		(564,891)		(359,626)		24,634		435,248		(7,165,898)		434,510		583,538
	-60%		-38%		-26%		-13%		1%		11%		-39%		10%		12%
\$	71,344.49	\$	74,459.18	\$	77,948.26	\$	82,341.15	\$	87,870.57	\$	94,636.68	\$	858,911	\$	45,722.02	\$	58,954.80
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	6,438,000	\$	-	\$	-
\$	(552,315)	\$	(180,253)	\$	(227,070)	\$	(273,574)	\$	(341,765)	\$	(415,967)	\$	(2,743,321)	\$	(595,967)	\$	(793,967)
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	(8,000)	\$	(8,000)	\$	(8,000)	\$	(8,000)	\$	(8,000)	\$	(8,000)	\$	(96,000)	\$	-	\$	-
\$	(846,387)	\$	(716,393)	\$	(583,866)	\$	(377,639)	\$	7,046	\$	417,512	\$	(7,416,218)	\$	414,510	\$	566,280
\$	(1,335,358.19)	\$	(830,187.53)	\$	(740,987.16)	\$	(576,872.06)	\$	(254,848.81)	\$	88,182.39	\$	(2,958,628)	\$	(135,735)	\$	(168,731.51)
\$	10,291,444	\$	8,956,086	\$	8,125,898	\$	7,384,911	\$	6,808,039	\$	6,553,190	\$	-	\$	6,659,108	\$	6,523,373
\$	8,977,679	\$	8,146,108	\$	7,403,886	\$	6,826,052	\$	6,570,779	\$	6,659,108	\$	6,659,108	\$	6,543,373	\$	6,371,900
\$	507,100	\$	688,360	\$	870,478	\$	1,095,579	\$	1,399,382	\$	1,744,320	\$	1,744,320	\$	1,819,275	\$	2,086,597
	6%		8%		12%		16%		21%		26%		26%		28%		33%

Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06
Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
\$ 1,699,658	\$ 1,949,258	\$ 2,218,058	\$ 2,506,058	\$ 2,813,258	\$ 3,139,658	\$ 3,485,258	\$ 3,850,058	\$ 4,234,058
\$ 2,716,293	\$ 2,987,922	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282
\$ 4,415,950	\$ 4,937,180	\$ 11,233,340	\$ 11,521,340	\$ 11,828,540	\$ 12,154,940	\$ 12,500,540	\$ 12,865,340	\$ 13,249,340
\$ 366,000	\$ 396,500	\$ 427,000	\$ 457,500	\$ 488,000	\$ 518,500	\$ 549,000	\$ 579,500	\$ 610,000
\$ 631,921	\$ 695,113	\$ 764,625	\$ 841,087	\$ 925,196	\$ 1,017,715	\$ 1,119,487	\$ 1,231,436	\$ 1,354,579
\$ 997,921	\$ 1,091,613	\$ 1,191,625	\$ 1,298,587	\$ 1,413,196	\$ 1,536,215	\$ 1,668,487	\$ 1,810,936	\$ 1,964,579
\$ 5,413,872	\$ 6,028,793	\$ 12,424,965	\$ 12,819,927	\$ 13,241,736	\$ 13,691,155	\$ 14,169,027	\$ 14,676,275	\$ 15,213,919
\$ (2,341,631 78)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)
\$ (777,494 91)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)
\$ (3,119,126 69)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)
\$ (561,708)	\$ (617,878)	\$ (679,666)	\$ (747,633)	\$ (822,396)	\$ (904,636)	\$ (995,099)	\$ (1,094,609)	\$ (1,204,070)
\$ (178,304)	\$ (196,134)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ (740,011 42)	\$ (814,012 57)	\$ (679,666 30)	\$ (747,632 93)	\$ (822,396 23)	\$ (904,636 85)	\$ (995,099 43)	\$ (1,094,609 38)	\$ (1,204,070 32)
\$ (3,859,138)	\$ (4,245,052)	\$ (4,110,706)	\$ (4,178,672)	\$ (4,253,436)	\$ (4,335,675)	\$ (4,426,139)	\$ (4,525,649)	\$ (4,635,110)
\$ 1,554,733	\$ 1,783,741	\$ 8,314,259	\$ 8,641,255	\$ 8,988,300	\$ 9,355,480	\$ 9,742,888	\$ 10,150,627	\$ 10,578,809
29%	30%	67%	67%	68%	68%	69%	69%	70%

Dec-06	FY 2006	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07
Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
\$ 4,653,258	\$ 33,275,891	\$ 5,107,658	\$ 5,597,258	\$ 6,122,058	\$ 6,682,058	\$ 7,277,258	\$ 7,907,658	\$ 8,573,258
\$ 9,015,282	\$ 82,540,701	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282
\$ 13,668,540	\$ 115,816,592	\$ 14,122,940	\$ 14,612,540	\$ 15,137,340	\$ 15,697,340	\$ 16,292,540	\$ 16,922,940	\$ 17,588,540
\$ 668,000	\$ 5,700,500	\$ 726,000	\$ 784,000	\$ 842,000	\$ 900,000	\$ 958,000	\$ 1,016,000	\$ 1,074,000
\$ 1,490,037	\$ 11,167,918	\$ 1,639,041	\$ 1,802,945	\$ 1,983,239	\$ 2,181,563	\$ 2,399,720	\$ 2,639,691	\$ 2,903,661
\$ 2,158,037	\$ 16,868,418	\$ 2,365,041	\$ 2,586,945	\$ 2,825,239	\$ 3,081,563	\$ 3,357,720	\$ 3,665,691	\$ 3,977,661
\$ 15,826,577	\$ 132,685,011	\$ 16,487,981	\$ 17,199,485	\$ 17,962,579	\$ 18,778,903	\$ 19,650,259	\$ 20,578,631	\$ 21,566,201
\$ (2,575,794 96)	\$ (29,587,775)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)
\$ (855,244 40)	\$ (9,824,066)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)
\$ (3,431,039 36)	\$ (39,411,841 27)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)
\$ (1,324,477)	\$ (9,927,039)	\$ (1,456,925)	\$ (1,602,618)	\$ (1,762,879)	\$ (1,939,167)	\$ (2,133,084)	\$ (2,346,392)	\$ (2,581,032)
\$ -	\$ (683,891)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ (1,324,477 35)	\$ (10,610,929 13)	\$ (1,456,925 08)	\$ (1,602,617 59)	\$ (1,762,879 35)	\$ (1,939,167 28)	\$ (2,133,084 01)	\$ (2,346,392 41)	\$ (2,581,031 65)
\$ (4,755,517)	\$ (50,022,770)	\$ (4,887,964)	\$ (5,033,657)	\$ (5,193,919)	\$ (5,370,207)	\$ (5,564,123)	\$ (5,777,432)	\$ (6,012,071)
\$ 11,071,060	\$ 82,662,240	\$ 11,600,016	\$ 12,165,828	\$ 12,768,661	\$ 13,408,697	\$ 14,086,136	\$ 14,801,200	\$ 15,554,130
70%	62%	0%	71%	71%	71%	72%	72%	72%

Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	FY 2007
Budget	Budget	Budget	Budget	Budget	Budget
\$ 9,274,058	\$ 10,010,058	\$ 10,781,258	\$ 11,587,658	\$ 12,429,258	\$ 101,349,491
\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 9,015,282	\$ 108,183,388
\$ 18,289,340	\$ 19,025,340	\$ 19,796,540	\$ 20,602,940	\$ 21,444,540	\$ 209,532,879
\$ 1,132,000	\$ 1,190,000	\$ 1,248,000	\$ 1,306,000	\$ 1,364,000	\$ 12,540,000
\$ 3,194,027	\$ 3,513,429	\$ 3,864,772	\$ 4,251,250	\$ 4,676,374	\$ 35,049,712
\$ 4,326,027	\$ 4,703,429	\$ 5,112,772	\$ 5,557,250	\$ 6,040,374	\$ 47,589,712
\$ 22,615,367	\$ 23,728,769	\$ 24,909,312	\$ 26,160,189	\$ 27,484,914	\$ 257,122,591
\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (2,575,794 96)	\$ (30,909,539)
\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (855,244 40)	\$ (10,262,933)
\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (3,431,039 36)	\$ (41,172,472 28)
\$ (2,839,135)	\$ (3,123,048)	\$ (3,435,353)	\$ (3,778,888)	\$ (4,156,777)	\$ (31,155,299)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ (2,839,134 82)	\$ (3,123,048 30)	\$ (3,435,353 13)	\$ (3,778,888 44)	\$ (4,156,777 29)	\$ (31,155,299 37)
\$ (6,270,174)	\$ (6,554,088)	\$ (6,866,392)	\$ (7,209,928)	\$ (7,587,817)	\$ (72,327,772)
\$ 16,345,192	\$ 17,174,682	\$ 18,042,920	\$ 18,950,262	\$ 19,897,098	\$ 184,794,820
72%	72%	72%	72%	72%	72%

\$	(240,173.01)	\$	(240,173.01)	\$	(240,173.01)	\$	(240,173.01)	\$	(2,882,076)
\$	(82,400)	\$	(82,400)	\$	(82,400)	\$	-	\$	(988,798)
\$	(322,572.85)	\$	(322,572.85)	\$	(322,572.85)	\$	(322,572.85)	\$	(3,870,874)

\$	(58,705)	\$	(58,705)	\$	(58,705)	\$	(58,705)	\$	(704,462)
\$	(285,312)	\$	(285,312)	\$	(285,312)	\$	(285,312)	\$	(3,423,748)
\$	(56,305)	\$	(56,305)	\$	(56,305)	\$	(56,305)	\$	(675,658)
\$	(1,208,906)	\$	(1,355,588)	\$	(1,514,321)	\$	(1,685,654)	\$	(12,886,527)
\$	(29,525)	\$	(29,525)	\$	(29,525)	\$	(29,525)	\$	(354,301)
\$	(1,638,753)	\$	(1,785,436)	\$	(1,944,169)	\$	(2,115,501)	\$	(2,299,984)
\$	(18,044,696)								

\$	14,383,867	\$	15,066,673	\$	15,776,178	\$	16,512,187	\$	17,274,541	\$	162,879,250
64%		63%		63%		63%		63%		63%	

\$	157,756	\$	168,978	\$	180,410	\$	192,060	\$	203,937	\$	1,709,163
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	157,756	\$	168,978	\$	180,410	\$	192,060	\$	203,937	\$	1,709,163

14,541,622	15,235,651	15,956,589	16,704,248	17,478,478	164,588,413
64%	64%	64%	64%	64%	64%

\$	1,208,905.56	\$	1,355,588.34	\$	1,514,321.12	\$	1,685,653.90	\$	1,870,136.68	\$	12,886,527
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	(8,110,967)	\$	(8,800,967)	\$	(9,523,967)	\$	(10,279,967)	\$	(11,068,967)	\$	(88,013,600)
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	14,383,867	\$	15,066,673	\$	15,776,178	\$	16,512,187	\$	17,274,541	\$	162,879,250

\$	7,481,805.49	\$	7,621,294.68	\$	7,766,532.78	\$	7,917,874.70	\$	8,075,710.80	\$	87,752,176
\$	105,170,384	\$	112,652,189	\$	120,273,484	\$	128,040,017	\$	135,957,891	\$	-
\$	112,809,945	\$	120,442,462	\$	128,220,427	\$	136,149,951	\$	144,237,539	\$	144,237,539

\$	11,527,878	\$	12,263,878	\$	13,035,078	\$	13,841,478	\$	14,683,078	\$	14,683,078
10%		10%		10%		10%		10%		10%	

EXHIBIT 5

Small and Minority-Owned Telecommunications Business Participation Plan

CommPartners, LLC Small and Minority-owned
Telecommunications Business Participation Plan

Pursuant to T.C.A. §65-5-212, as amended, CommPartners, LLC (“CommPartners”) submits this small and minority-owned Telecommunications business participation plan (the “Plan”) along with its Application for a Certificate of Public Convenience and Necessity to provide competing intrastate and local exchange services in Tennessee.

I. PURPOSE

The purpose of TCA §65-5-212 is to provide opportunities for small and minority-owned businesses to provide goods and services to Telecommunications service providers. CommPartners is committed to the goals of §65-5-212 and to taking steps to support the participation of small and minority-owned telecommunications businesses in the telecommunications industry. CommPartners will endeavor to provide opportunities for small and minority-owned Telecommunications businesses to compete for contracts and subcontracts for goods and services.

As part of its procurement process, CommPartners will make efforts to identify and inform minority-owned and small businesses that are qualified and capable of providing goods and services to CommPartners of such opportunities. CommPartners’ representatives have already contacted the Department of Economic and Community Development, the administrator of the small and minority-owned telecommunications assistance program, to obtain a list of qualified vendors. Moreover, CommPartners will seek to increase awareness of such opportunities so that companies not otherwise identified will have sufficient information to participate in the procurement process.

II. DEFINITIONS

As defined in TCA §65-5-212.

Minority-Owned Business. Minority-owned business shall mean a business which is solely owned, or at least fifty-one percent (51%) of the assets or outstanding stock of which is owned, by an individual who personally manages and controls daily operations

of such business, and who is impeded from normal entry into the economic mainstream because of race, religion, sex or national origin and such business has annual gross receipts of less than four million dollars (\$4,000,000)

Small Business Small Business shall mean a business with annual gross receipts of less than four million dollars (\$4,000,000).

III. ADMINISTRATION

CommPartners's Plan will be overseen and administered by the individual named below, hereinafter referred to as the Administrator, who will be responsible for carrying out and promoting CommPartners's full efforts to provide equal opportunities for small and minority-owned businesses.

The Administrator of the Plan will be:

David S. Clark
President
CommPartners, LLC
3291 N. Buffalo Drive, Ste. 3
Las Vegas, NV 89129-7437
Telephone: (702) 367-8647
Facsimile: (702) 365-8647
Email: dclark@commpartners.us

The Administrator's responsibilities will include:

- (1) Maintaining an updated Plan in full compliance with §65-5-212 and the rules and orders of the Tennessee Regulatory Authority.
- (2) Establishing and developing policies and procedures necessary for the successful implementation of the Plan.
- (3) Preparing and submitting such forms as may be required by the Tennessee Regulatory Authority, including the filing of required annual updates.
- (4) Serving as the primary liaison to and cooperate with the Tennessee Regulatory Authority, other agencies of the State of Tennessee, and small and minority-owned businesses to locate and use qualified small and minority-owned businesses as defined in §65-5-212.
- (5) Searching for and developing opportunities to use small and minority-owned

businesses and encouraging such businesses to participate in and bid on contracts and subcontracts.

(6) Providing records and reports and cooperate in any authorized surveys as required by the Tennessee Regulatory Authority.

(7) Establishing a record-keeping system to track qualified small and minority-owned businesses and efforts to use such businesses.

(8) Providing information and educational activities to persons within CommPartners and training such persons to seek out, encourage, and promote the use of small and minority-owned businesses.

In performance of these duties, the Administrator will utilize a number of resources, including:

Chambers of Commerce

The Tennessee Department of Economic and Community Development

The United States Department of Commerce

Small Business Administration

Office of Minority Business

The National Minority Supplier Development Counsel

The National Association of Women Business Owners

The National Association of Minority Contractors

Historically Black Colleges, Universities, and Minority Institutions

The efforts to promote and ensure equal opportunities for small and minority-owned businesses are primarily spelled out in the Administrator's duties above. Additional efforts to provide opportunities to small and minority-owned businesses will include offering, where appropriate and feasible, small and minority-owned businesses assistance with technical, insurance, bonding, licensing, production, and deadline requirements.

IV. RECORDS AND COMPLIANCE REPORTS

CommPartners will maintain records of qualified small and minority-owned business and efforts to use the goods and services of such businesses. In addition, CommPartners will

maintain records of educational and training activities conducted or attended and of the internal procurement procedures adopted to support this plan. CommPartners will submit records and reports required by the Tennessee Regulatory Authority concerning the Plan. Moreover, CommPartners will cooperate fully with any surveys and studies required by the Tennessee Regulatory Authority.

CommPartners, LLC

David Clark

President

Dated: January 27, 2005

EXHIBIT 6

Certificate of Service

This Application has been served on the following entities via first class mail:

ARDMORE TELEPHONE COMPANY, INC.

P.O. Box 549
517 Ardmore Avenue
Ardmore, TN 38449

BELLSOUTH

333 Commerce Street
Nashville, TN 37201-3300

CENTURY TELEPHONE OF ADAMSVILLE

P.O. Box 405
116 N. Oak Street
Adamsville, TN 38310

CENTURY TELEPHONE OF CLAIBORNE

P.O. Box 100
507 Main Street
New Tazewell, TN 37825

CENTURY TELEPHONE OF OOLTEWAH-COLLEGEDALE, INC.

P.O. Box 782
5616 Main Street
Ooltewah, TN 37363

CITIZENS COMMUNICATIONS COMPANY OF TENNESSEE

P.O. Box 770
300 Bland Street
Bluefield, WV 24701

CITIZENS COMMUNICATIONS COMPANY OF THE VOLUNTEER STATE

P O. Box 770
300 Bland Street
Bluefield, WV 24701

LORETTO TELEPHONE COMPANY, INC.

P.O. Box 130
Loretto, TN 38469

MILLINGTON TELEPHONE COMPANY, INC.

P.O. Box 429
4880 Navy Road
Millington, TN 38083-0429

SPRINT-UNITED
112 Sixth Street
Bristol, TN 37620

TDS TELECOM-CONCORD TELEPHONE EXCHANGE, INC.
P.O. Box 22610
701 Concord Road
Knoxville, TN 37933-0610

TDS TELECOM-HUMPHREYS COUNTY TELEPHONE COMPANY
P.O. Box 552
203 Long Street
New Johnsonville, TN 37134-0552

TDS TELECOM-TELLICO TELEPHONE COMPANY, INC.
P.O. Box 9
102 Spence Street
Tellico Plains, TN 37385-0009

TDS TELECOM-TENNESSEE TELEPHONE COMPANY
P.O. Box 18139
Knoxville, TN 37928-2139

TEC-CROCKETT TELEPHONE COMPANY, INC.
P.O. Box 7
Friendship, TN 38034

TEC-PEOPLE'S TELEPHONE COMPANY, INC.
P.O. Box 310
Erin, TN 37061

TEC-WEST TENNESSEE TELEPHONE COMPANY, INC.
P.O. Box 10
244 E. Main Street
Bradford, TN 38316

UNITED TELEPHONE COMPANY
P.O. Box 38
120 Taylor Street
Chapel Hill, TN 37034

EXHIBIT 7
IntraLATA Toll Dialing Parity Plan

CommPartners, LLC

IntraLATA Toll Dialing Parity Plan

1. Purpose

CommPartners, LLC describes herein the process for implementing IntraLATA Toll Dialing Parity in its exchanges located in the State of Tennessee. The intent of this plan is to provide a proposal that, upon implementation, would provide customers with the ability to pre-select the telecommunications carrier of their choice for routing their 1+intraLATA toll calls.

2. IntraLATA Environment

CommPartners, LLC is implementing 1+IntraLATA toll calling. Implementation of 1+IntraLATA toll dialing parity will permit our customers to pre-select the carrier of their choice to provide 1+IntraLATA long distance services.

3. Implementation Schedule

CommPartners, LLC will implement intraLATA toll dialing parity coincident with the approval of its General Subscriber Services tariff and Interexchange Service tariff. CommPartners will be operating in LATAs 468, 470, 472, and 474. IntraLATA toll dialing parity will be available in all exchanges served by CommPartners, LLC in Tennessee. The implementation date will be the same for all exchanges. Each customer will be notified of availability of the Plan by bill inserts in their first billing.

CommPartners will not charge its customers to recover incremental costs related to IntraLATA toll dialing parity.

4. Carrier Selection Process

CommPartners, LLC will implement the full 2-PIC carrier selection methodology. With the full 2-PIC methodology, customers will be able to pre-subscribe to one telecommunications carrier for interLATA toll calls and pre-subscribe to the same or a different participating telecommunications carrier, including their existing local exchange company for intraLATA toll calls.

CommPartners, LLC employees who communicate with the public, accept customer orders, and serve in customer service capacities will be trained to explain the process to customers for making PIC changes for intraLATA toll calls. Business office personnel will be prepared to make changes in customer records based upon requests from customers or carriers. Processes are in place to provide new customers with an opportunity to choose their intraLATA toll carrier from available carriers.

CommPartners is a new entrant and thus has no existing customers. The competitively neutral selection process will be provided to all new customers when new service is initiated. Customers will be assessed a PIC change charge of \$5.00 for changing their intraLATA or interLATA carrier, except for new subscribers to CommPartners, LLC service. PIC charges will be waived for new subscribers. This is a permanent policy by CommPartners, LLC. Customers who contact CommPartners, LLC requesting new telephone exchange service will be advised of the telecommunications carriers (including CommPartners, LLC) available to provide interLATA toll service. The intraLATA toll carriers will be presented in a competitively neutral manner. Customers who do not make a positive choice for an intraLATA toll carrier or interLATA toll carrier will be identified as a "no-PIC" and will not be automatically defaulted to a carrier. Customers identified as "no-PIC" will be required to dial 101XXXX to place intraLATA or interLATA toll calls until they make an affirmative choice for an intraLATA and/or interLATA toll carrier.

5. Slamming

CommPartners will not engage in the practice commonly known as "slamming." Customers will have their services switched to CommPartners' services without a written letter of authorization for new and changes in services. CommPartners will also employ third party verification for all customers who seek to change their presubscribed carrier to be CommPartners. All affected CommPartners employees are aware of these procedures and will be immediately disciplined if the procedures are not followed.

6. Non-discriminatory Access

CommPartners will provide non-discriminatory access to telephone numbers, operator services, directory assistance, and directory listings.

7. Continued Compliance

CommPartners will comply with any rules issued by the TRA or FCC.

EXHIBIT 8

Pre-filed Testimony of David Clark, President

BEFORE THE TENNESSEE REGULATORY AUTHORITY

In the Matter of the Application of)
CommPartners, LLC for a Certificate to)
Provide Competing Local Telecommunications)
Services)
_____)

PREFILED TESTIMONY OF DAVID CLARK FILED ON BEHALF OF
COMMPARTNERS, LLC

Q: PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS FOR
THE RECORD.

A: My name is David Clark and I am President of CommPartners, LLC (hereinafter
"Applicant"). The company's address is 3291 North Buffalo Drive, Suite 3, Las Vegas,
NV 89129.

Q: WHAT ARE YOUR CURRENT JOB RESPONSIBILITIES?

A: In my capacity as President of Applicant, I am ultimately responsible for all
operations of the company. This includes its market entry strategy, obtaining financing,
network configuration, sales and marketing, and back office set-up.

Q: PLEASE GIVE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND
EXPERIENCE.

A: Since participating in Applicant's founding in June 2003, I have served as
Applicant's President and a member of Applicant's board of directors. I have overall
responsibility for strategic guidance, personnel, financing, sales and corporate

development/administration. From May 1997 to January 2001, I was Senior Vice President, Sales & Marketing and Senior Vice President, Investor Relations for MGC/Mpower Communications. My responsibilities included corporate sales and marketing development and implementation and a leading role in securing nearly \$1 billion in private equity, IPO, secondary equity and high yield debt financing. I was also the primary contact for investors and Wall Street funds and analysts at Mpower. From February 2001 to June 2001, I was the Chief Operating Officer for Wedding Referral Services (an Internet services company) and from August of 2001 to July 2002, was the President and Chief Executive Officer for Pinnacle Armor (a manufacturer of patented, advanced ballistic armor). I have been in the telecommunications industry since 1989 with companies spanning private pay telephone, inmate phone system and specialty satellite services. I was a civilian contractor to the British military in Bosnia and was responsible for the Welfare Phone Service (via satellite) provided to British troops serving under the United Nations peacekeeping mandate. I serve as a director of Antenna Technology Communications, Inc. in Chandler, Arizona, and hold a degree in Mass Communications from Texas Tech University.

Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A: The purpose of my testimony is to support CommPartners, LLC's Application for a Certificate of Authority to provide competing local telecommunications services within the State of Tennessee

Q: ARE YOU FAMILIAR WITH THE APPLICATION FILED ON YOUR COMPANY'S BEHALF AT THIS COMMISSION?

A: Yes

Q: DO YOU RATIFY AND CONFIRM THE STATEMENTS MADE IN THAT APPLICATION AND ALL RELATED FILINGS?

A: Yes.

Q: PLEASE DESCRIBE THE CURRENT OPERATIONS OF COMMPARTNERS, LLC

A: CommPartners, LLC is in the process of building a state-of-the-art, proprietary Internet Protocol-based ("IP") communications network for the provision of voice and data services with presence in all 50 states and the District of Columbia. The network is designed to connect public and private IP networks with the Public Switched Telephone Network (PSTN) and will extend into an estimated 8,500 local telephone rate centers representing a majority of the U.S. population when complete, estimated to be by late 2005. Applicant will provide the network needed for VoIP providers to originate and terminate IP-based communications, as well as allow for the termination of traditional circuit-switched telephone calls. The traffic to be carried over this network will be comprised of primarily information services traffic such as VoIP, as well as interstate, intrastate interLATA, intraLATA, and local traffic.

Q: HAS COMMPARTNERS, LLC IN THE PAST, OR IS IT CURRENTLY, PROVIDING ANY TELECOMMUNICATIONS SERVICES IN TENNESSEE?

A: No.

Q: PLEASE DESCRIBE THE MANAGERIAL ABILITIES OF THE APPLICANT.

A: Applicant has a team of managers and support personnel qualified to operate a communications business. The management team has earned years of relevant experience through the operation of Mpower, a sophisticated competitive local exchange carrier that received financing of almost \$1 billion. In addition to my experience at Mpower, I am joined by two other veterans of that company, Patrick Chicas and Michael Burke.

Mr. Chicas serves as CommPartners' Vice President and Chief Technology Officer. He is responsible for the network architecture and topology, vendor selection, POP construction and all engineering aspects of the Company. From March 1999 to August 2000, Mr. Chicas was the Vice President for Data Services at Mpower Communications. While at Mpower, Mr. Chicas designed the company's VoIP network for small business services. From January 1997 to September 1998, Mr. Chicas was the first executive hire and Vice President of Operations at Digital Island, Inc. Mr. Chicas has prior telecommunications experience with PacTel Cellular (now Verizon) and GTE Mobilnet (now Verizon).

Mr. Burke has served as Vice President, Operations for Applicant since June 2004. Mr. Burke is responsible for the construction, deployment and operation of Applicant's network throughout the United States. From December 2000 to January

2003, Mr. Burke was the Executive Director for Sierra Pacific Communications. In this role, Mr. Burke was responsible for the development and deployment of a state-wide fiber optic network in Nevada. From November 1996 to November 2000, Mr. Burke was a Vice President at Mpower Communications. At Mpower, Mr. Burke was in charge of network strategic planning and operations. Through this experience, Applicant expects to immediately begin successful operations for this new telecommunications carrier.

Q: PLEASE DESCRIBE THE APPLICANT'S FINANCIAL ABILITY TO PROVIDE SERVICE.

A: CommPartners enjoys significant access to capital. CommPartners has the financial backing of multiple sophisticated funding operations including Circle F Ventures and investor Maurice Gallagher. Applicant is already financially strong and independent. Applicant was initially funded in September 2003 with \$3 million to begin rolling out its operations. Applicant has drawn most of this start-up funding for its initial operations. Applicant has recently closed a private placement offering shares to the public that has earned Applicant an additional \$15 million in funding. With this funding in place, Applicant's business plan will be fully funded to expected break-even point.

Q: DOES APPLICANT CURRENTLY PROVIDE TELECOMMUNICATIONS SERVICE IN ANY OTHER STATES OR HAVE APPLICATIONS PENDING?

A: Applicant is in the beginning stages of its network deployment and is providing services in several states. Applicant has sought authority in all fifty-one jurisdictions and has been approved in approximately half of those states thus far.

Q: HAS APPLICANT OR ANY AFFILIATED ENTITY EVER BEEN DENIED CERTIFICATION IN ANOTHER STATE?

A: No.

Q: HAS APPLICANT OR ANY OF ITS AFFILIATES EVER BEEN SUBJECT TO ANY FEDERAL OR STATE INVESTIGATION REGARDING ITS SERVICES?

A: No.

Q: PLEASE DESCRIBE THE SERVICES APPLICANT INTENDS TO PROVIDE IN TENNESSEE.

A: Applicant will be providing local exchange, intraLATA toll, and interLATA interexchange services in South Carolina.

Q: WILL APPLICANT BE OFFERING ANY PREPAID OR DEBIT-TYPE CALLING CARDS?

A: No.

Q: PLEASE DESCRIBE THE FACILITIES APPLICANT INTENDS TO USE IN PROVIDING ITS PROPOSED SERVICES.

A: All services provided by Applicant will be facilities-based. These facilities will use existing structures and as such will not result in any environmental damage. To begin operations, Applicant initially installed one softswitch device at each of its switch centers

located in Las Vegas, Chicago, New York and Atlanta. These switch centers are connected to Applicant's network operations center in Las Vegas. For traffic originated or terminated in South Carolina, Applicant's Atlanta softswitch will be used. The total cost of these softswitches was approximately \$2.5 million. This is sufficient to establish the national reach of Applicant's network. CommPartners expects to deploy additional softswitches as traffic volume increases in specific geographic areas. These additional investments are expected to incrementally reduce transport costs as the switches are placed closer to end-users' traffic.

Q: WILL APPLICANT USE TELEMARKETING TO SELL ITS SERVICES.

A: No.

Q: HOW WILL APPLICANT HANDLE CUSTOMER SERVICE MATTERS?

A: Applicant will provide the outstanding customer service via a state of the art back office system. Any disputed bills will be handled expeditiously via Applicant's toll-free number. If the dispute can not be resolved to the customer's full satisfaction, customer service representatives will notify the customer of his/her right to file a complaint at the Tennessee Regulatory Authority.

Q: WHICH CARRIERS WILL SERVE AS YOUR UNDERLYING CARRIERS?

A: For local exchange services, Applicant will be working with incumbent local exchange carriers such as United Telephone Company ("Sprint") and BellSouth Telecommunications, Inc. ("BellSouth"), and other incumbent local exchange carriers

that are required to engage in interconnection agreements with competitive carriers. For interexchange services, Applicant is working with Global Crossing, Level 3 Communications, and is considering other certificated carriers.

Q: HAS YOUR COMPANY BEGUN INTERCONNECTION NEGOTIATIONS WITH ANY INCUMBENT LOCAL EXCHANGE CARRIERS?

A: Yes, we have contacted Sprint and BellSouth to begin interconnection negotiations and are currently reviewing recently approved interconnection agreements.

Q: WILL YOU REMAIN AVAILABLE TO RESPOND TO ANY ADDITIONAL QUESTIONS REGARDING THIS APPLICATION?

A: Yes.

Q: DOES THIS CONCLUDE YOUR TESTIMONY?

A: Yes.